

Proposed Amendment to the Once-Through Cooling Policy – Encina Power Station

August 15, 2017

Item #3

State Water Resources Control Board
Division of Water Quality
Michael W. Gjerde
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ONCE-THROUGH COOLING POLICY

- The OTC Policy
 - Requires power plants to reduce OTC water by 93% or more to protect aquatic life
 - Impacted 19 coastal power plants which use OTC
 - Requires implementation plans to achieve compliance over the period from 2010 to 2029
 - Requires SACCWIS annual review to ensure grid reliability



California Power Plants Using Once Through Cooling Technology



ENCINA POWER STATION

- Encina - five OTC units with an aggregate capacity of 950 MW
 - Current compliance date is December 31, 2017
 - Unit 1 retired early on March 1, 2017 (106 MW)
 - Units 2 through 5 remaining (844 MW)
- Need for compliance extension
 - San Onofre retired unexpectedly on June 7, 2013
 - Carlsbad Energy Center
 - Previously expected to replace Encina by end of 2017
 - Legal challenges delayed completion date to fourth quarter of 2018
 - CEC publically noted the potential energy gap on August 29, 2016



AMENDMENT TO POLICY

- Extend the OTC compliance deadline for the Encina Power Station Units 2 through 5 from December 31, 2017, to December 31, 2018



UPDATES AND OPPORTUNITIES FOR PUBLIC COMMENTS

- Robust public process through
 - SACCWIS reports and meetings
 - Board meetings
 - Public Notice
 - Written comment period May 23, 2017 to July 7, 2017
 - Received two comment letters
 - Responses to comments are online



COGENTRIX PUBLIC COMMENTS

- Comments
 - Does not oppose the OTC extension for Encina
 - Requests other non-OTC power generators be used to reduce the need for OTC Encina in 2018
- Response
 - The alternatives analyses assessed all facilities and extending Encina compliance deadline for Units 2-5 is a prudent option to ensure grid reliability
 - The allocation and procurement of power capacity during 2018 will be subject to the CPUC resource adequacy process and CAISO contracting



COGENTRIX PUBLIC COMMENTS

- Comment
 - Requests that Encina install a variable speed pump on the water intake system
- Response
 - The Encina owner/operator has chosen to repower
 - Extension is only to ensure grid reliability
 - One-year extension does not require installation of variable speed pumps given the intention to eliminate all OTC at Encina
 - Interim mitigation payments will address impacts



COASTKEEPER PUBLIC COMMENTS

- Comments

- They do not oppose the one-year extension
- Requests an explicit statement in the record that Encina will not continue to intake seawater for Poseidon-Carlsbad Desalination Project (Poseidon CDP) after the Carlsbad Energy Center becomes operational

- Response

- An explicit statement is not necessary due to the following:
 - The Poseidon CDP is currently authorized to withdraw additional source water above that required for Encina operation by San Diego Water Board Order No. R9-2006-0065
 - The San Diego Water Board currently is in the process of drafting the NPDES permit for permanent stand-alone operations for Poseidon CDP



STAFF RECOMMENDATION

- Adopt the Encina Power Station amendment to the OTC Policy to extend the compliance date from December 31, 2017, to December 31, 2018 on Units 2 through 5



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ENCINA POWER STATION

